



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

Procurement  
Instruction  
Memorandum  
No. 02-03  
February 4, 2002

**MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS**

**FROM:**

Corey M. Rindner, Director *Corey M. Rindner*  
Office of Procurement

Kevin Boshears, Director  
Office of Small Business Programs

**SUBJECT:**

DTAR Change 98-04, Waiver of Synopsis Requirement for Small  
Business Set-Asides (*Revision A*)

**Purpose:** This DTAR Change outlines the circumstances under which the synopsis requirement can be waived for small business set-asides between \$25,000.00 and \$100,000.

**Effective Date:** December 24, 1998

**Expiration Date:** This PIM expires on September 30, 2004.

**Status of Previous PIM:** This PIM supercedes the original PIM 98-11 (DTAR Change 98-04), dated 12/30/98). For your information, the original MOU and D&F are attached.

**Background:** The Administrator, Office of Federal Procurement Policy and the Administrator, Small Business Administration granted an extension of the Pilot Program on Acquisition of Services from Small Businesses in September, 2001.

This PIM/DTAR Change extends the synopsis waiver requirement through September 30, 2004. In addition to the requirements of the MOU, Treasury is expanding the reach of the waiver to include small disadvantaged businesses, women owned businesses, HubZones, and service disabled veterans.

Also, please note that revisions have been made to the Federal Procurement Data System (FPDS) reporting requirements which provide for the addition of a new code "D" (Not synopsisized Under SBA/OFPP Waiver Pilot Program) in Item 23 on the Individual Contract Action Report (SF 279). This new code will allow Treasury to identify contracts awarded under the pilot program.

Contracting officers must utilize the new FPDS reporting code “D” to identify contracts/orders awarded under the waiver.

**Changes:** The following changes were made to DTAR coverage:

<b>Original DTAR Cite</b>	<b>Changes</b>
1005.202(a)	Changed “shall” to “must” to reflect current FAR conventions.
1005.202(b)	Updates language.
1005.403(a)	Changed “shall” to “must” to reflect current FAR conventions.

**DTAR Replacement Pages:** Remove DTAR page 5-1 and insert the attached DTAR pages 5-1 and 5.2.

The extension memorandum from OFPP/SBA is also attached.

Questions regarding this PIM may be addressed to the Office of Small Business Programs at 202-622-0530 or Angelie Jackson at 202-622-0245.

Attachments

## **PART 1005 – PUBLICIZING CONTRACT ACTIONS**

### **Subpart 1005.2 – Synopses of Proposed Contract Actions**

- 1005.202 Exceptions.
- 1005.207 Preparation and transmittal of synopses.

### **Subpart 1005.3 – Synopses of Contract Awards**

- 1005.301 General.

### **Subpart 1005.4 – Release of Information**

- 1005.403 Requests from Members of Congress.
- 1005.404 Release of long-range acquisition estimates.
- 1005.404-1 Release procedures.

### **Subpart 1005.5 – Paid Advertisements**

- 1005.502 Authority.

### **Subpart 1005.2 – Synopses of Proposed Contract Actions**

#### **1005.202 Exceptions.**

(a) A copy of the determination must be retained in the contract file.

(b) Authority to make the required determination is delegated to the SPE. Submit requests per 1001.7000(a). Retain determination in the contract file.

(1) The Office of Federal Procurement Policy and the Small Business Administration have extended the Pilot Program on Acquisition of Services from Small Businesses. The pilot program allows for the waiver of the synopsis requirement for services from competitive small businesses between \$25,000 and \$100,000, the simplified acquisition threshold. Contracting officers may waive the synopsis requirement after determining the following:

(i) acquisitions covered by the waiver are for services (excluding those exempted from set-asides under the Small Business Competitiveness Demonstration Program) in amounts over \$25,000, but not exceeding the simplified acquisition threshold (which is currently at \$100,000), of which supply items are expected to constitute less than 20 percent of the total value of the contract;

(ii) the covered acquisitions will be set-aside for small businesses;

(iii) the determination states that quotes or offers for covered acquisitions will be solicited and obtained from a minimum of five small business concerns;

(iv) the determination states that the Procurement Marketing and Access Network (PRONet) will be used to identify and solicit bids from a minimum of five small businesses, which will include, if available, at least one small disadvantaged business, one women-owned firm, one hubzone small business, and one service disabled veteran owned small business; and

(v) the determination states that, if practicable, two sources not included in the previous solicitation for the same services will be solicited.

#### **1005.207 Preparation and transmittal of synopses.**

(b)(4) Each synopsis must include “Department of the Treasury (DY)” and name of the bureau.

### **Subpart 1005.3 – Synopses of Contract Awards**

#### **1005.301 General.**

(a) Document the contract file if the CO decides not to synopsise an award not likely to result in the award of subcontracts.

(b) Document the contract file with the reason why a contract award was not synopsized.

### **Subpart 1005.4 – Release of Information**

#### **1005.403 Requests from Members of Congress.**

(a) BCPO’s, without redelegation, must provide prompt written notification of all Congressional inquiries regarding acquisitions to the SPE.

#### **1005.404 Release of long-range acquisition estimates.**

**1005.404-1 Release procedures.**

Heads of bureaus are authorized to release long-range acquisition estimates.

**Subpart 1005.5 – Paid Advertisements**

**1005.502 Authority.**

(a) Other statutes or laws may grant separate authority for paid advertisements. Heads of bureaus or their designees are authorized to approve procurement of paid advertising for supplies or services.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL  
PROCUREMENT POLICY

SEP 27 2001

MEMORANDUM FOR AGENCY SENIOR PROCUREMENT EXECUTIVES

FROM:

Hector V. Barreto  
Administrator  
Small Business Administration

Angela B. Styles  
Administrator  
Office of Federal Procurement Policy

SUBJECT:

Extension of the Pilot Program on Acquisition of Services  
from Small Businesses

The U.S. Small Business Administration (SBA) and the Office of Federal Procurement Policy (OFPP) are extending the pilot program that allows for the waiver of the synopsis requirement in the Federal Acquisition Regulation (FAR) Subpart 5.2 when agencies acquire services valued between \$25,000 and \$100,000 from small businesses. SBA and OFPP established this pilot program to increase opportunities for small businesses by providing agencies with a more efficient process for acquisitions in this dollar range. The pilot program is extended through September 30, 2004.

Waiver of the synopsis requirement, in combination with use of the simplified acquisition procedures set forth in FAR Part 13, enables agencies to quickly solicit competition from a minimum of five responsible small businesses. This, in turn, may permit agencies to take better advantage of the services offered by competitive small businesses. In addition, agencies benefit from a process that may match the efficiencies realized when an agency uses the Federal Supply Schedules, government-wide acquisition contracts, or multi-agency contracts.

Before determining to waive the synopsis requirement, agencies must consult with SBA and OFPP, as provided in FAR 5.202(b). SBA and OFPP have concluded that waiver of the synopsis requirement under the pilot program is reasonable when agency determinations meet the following conditions:

- (1) acquisitions covered by the waiver are for services (excluding those exempted from set-asides under the Small Business Competitiveness Demonstration Program) in amounts over \$25,000, but not exceeding the simplified

acquisition threshold (which is currently at \$100,000), of which supply items are expected to constitute less than 20 percent of the total value of the contract;

- (2) the covered acquisitions will be set-aside for small businesses;
- (3) the determination states that quotes or offers for covered acquisitions will be solicited and obtained from a minimum of five small business concerns;
- (4) the determination states that the Procurement Marketing and Access Network (PRO-Net) will be used to identify and solicit bids from a minimum of five small businesses; and
- (5) the determination states that, if practicable, two sources not included in the previous solicitation for the same services will be solicited.

If your agency is not currently participating in the pilot program, and you would like to participate, you may do so by submitting a determination that meets the above conditions to SBA and OFPP by October 31, 2001. If your agency is already participating in the pilot program, you may extend your determination without first consulting SBA and OFPP, provided that your determination includes the above conditions. Any agency that wants to discontinue its participation in the pilot program should notify SBA and OFPP by October 31, 2001.

When SBA and OFPP initiated the pilot program, in order to minimize the reporting burden on the agencies, the Federal Procurement Data System (FPDS) reporting requirements were not changed. This has limited our ability to effectively evaluate whether the pilot actually is meeting its stated goals. Therefore, revisions have been made to the FPDS reporting requirements which provide for the addition of a new code "D" (Not Synopsized Under the SBA/OFPP Waiver Pilot Program) in Item 23 on the Individual Contract Action Report (SF 279). The new code "D" will allow agencies to identify contracts awarded under the pilot program. This change is included in Amendment 7 to the FPDS Reporting Manual, which becomes effective on October 1, 2001.

SBA will administer the pilot program and evaluate results. Questions regarding this memorandum should be directed to Sheryl Swed, Office of Government Contracting, SBA, on 202-205-6413.

## **U.S. Department of the Treasury**

### **Determination and Findings**

**To**

**Waive the presolicitation Commerce Business Daily (CBD) notices  
for small business set-asides between \$25,000 and \$100,000.**

Upon the basis of the following determination and findings, which I make pursuant to the Office of Federal Procurement Policy Act, 41 U.S. C. 416, and the Small Business Act, 15 U.S. C. 637, as implemented by Federal Acquisition Regulation (FAR) section 5.202(b), the requirement for advance CBD notices for small business set-aside acquisitions between \$25,000 and the simplified acquisition threshold (SAT) is waived under certain conditions.

### **Findings**

1. FAR 5.201 requires Federal agencies to publish an advance notice of proposed acquisition actions in the CBD prior to or upon the release of the solicitation. The intent of this regulation is to improve the participation of American small business concerns in Government acquisitions and to enhance competition by publicizing contracting and subcontracting opportunities. FAR 5.202(b) permits this requirement to be waived if the agency head determines that the advance notice is neither appropriate nor reasonable. Department of the Treasury Acquisition Regulation 1005.202(b) delegates that authority to the Senior Procurement Executive.
2. FAR 5.2 requires widespread notice and generally a 45-day notice and wait period for all new procurement actions over \$25,000 and below the simplified acquisition threshold. This notice and wait period directly lengthens procurement lead time. In addition, widespread notice usually generates an unnecessarily large number of offerors, increasing the resources required to complete the evaluation and further extending the procurement process. In contrast, competition among multiple task order contracts is a more streamlined, and more attractive, alternative. Procurement offices realize efficiencies when they award multiple award task order contracts to a limited number of highly qualified contractors and issue tasks following quick, commercial-style competition among those contractors.
3. We, therefore, believe that the notice requirement in FAR 5.2 discourages competitions for new contracts in the smaller dollar amounts that could generate greater small business interest. We have concluded that the FAR 5.2 notice requirement undermines the efficiency of the procurement process and reduces opportunities for small business and small disadvantaged business concerns to participate in smaller dollar procurements.

4. The efficiency of the Department's procurement system and the Department's commitment to assisting small business and small disadvantaged business concerns are better served if the notice requirement is waived under the following circumstances:

- (a) the acquisition is for services in amounts over \$25,000, but not exceeding the SAT, of which supply items are expected to constitute less than 20 percent of the total value of the contract;
- (b) the acquisition will be set-aside for small businesses;
- (c) quotes or offers will be solicited from a minimum of five small business concerns;
- (d) SBA's PRO-Net or other resources will be used to identify a minimum of five small businesses, which will include, if available, at least one small disadvantaged and one women-owned firm; and
- (e) if practicable, two sources not included in the previous solicitation for the same services will be solicited.

#### **Determination**

Based on the above findings, I determine that the advance notice requirements of FAR 5.2 are neither appropriate nor reasonable, and should be waived when the circumstances in paragraph 4 are present. This determination is made pursuant to FAR 5.202(b), after consultation with the Administrator of the Office of Federal Procurement Policy and the Administrator of the Small Business Administration.

Annelie M. Kuhn

Annelie M. Kuhn  
Senior Procurement Executive

12/20/98

Date





EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

U.S. OFFICE OF FEDERAL  
PROCUREMENT POLICY

October 26, 1998

Ms. Annelie M. Kuhn  
Senior Procurement Executive  
Department of the Treasury  
Washington, DC 20220

Dear Ms. Kuhn:

Thank you for your Department's October 6, 1998 letter regarding consultation over its determination to waive advance notice in the Commerce Business Daily when acquiring services from competitive small businesses between \$25,000 and the simplified acquisition threshold in the circumstances described in the July 28, 1998 OEPP/SBA memorandum entitled "Streamlined Acquisition of Services from Small Businesses under the Simplified Acquisition Threshold."

We have reviewed your Department's letter and do not object to your Department's determination, pursuant to FAR 5.202(b), that such advance notice of individual procurements is not appropriate or reasonable in the circumstances described in the determination. This assumes that the determination will remain in effect for not more than two years and that each relevant contract action will be awarded in accordance with the policies and procedures prescribed in FAR 13.104 with regard to promoting competition to the maximum extent practicable. We urge your Department to use SBA's PRO-Net to both identify and solicit bids from a minimum of five small businesses, which will include, if available, at least one small disadvantaged and one women-owned firm.

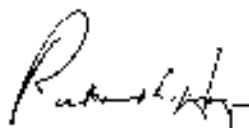
We request that you help us measure the impact of the CBD waiver. We are especially interested in whether the waiver is enabling your Department to take better advantage of the services offered by competitive small businesses (i.e., providing a tool by which to quickly solicit competition and make award) in meeting your Department's needs. As noted in the enclosure, we will use your Department's data in the Federal Procurement Data System (FPDS) to estimate the volume of purchases under the program.

Thank you for participating in this effort. Should you have any questions, please contact Michael Gerich of OFPP on 202-395-6811. We look forward to working with your Department to achieve what we hope will be a success for both small businesses and the government.

Sincerely,



Deidre A. Lee  
Administrator  
Office of Federal Procurement Policy



Richard L. Hayes  
Associate Deputy Administrator  
Office of Government Contracting  
and Minority Enterprise Development  
Small Business Administration

Enclosure

## Reporting Procedures

Your Department should continue to report all contract actions for services between \$25,000 and \$100,000 using the existing FPDS reporting instructions. OFPP and SBA will use FY 98 FPDS data to establish a baseline that identifies actions and dollars for services between \$25,000 and \$100,000 from small, small disadvantaged, and women-owned small businesses and large businesses. The baseline will include new definitive contracts (SF 279, Item 9, Code C), simplified acquisitions (SF 279, Item 9, Code D), and task orders under basic ordering agreements and indefinite delivery contracts (SF 279, Item 9, Codes E, F, and L) that have been synopsisized prior to award. We will provide a baseline report to your Department as soon as the FY 98 FPDS data becomes available. At the end of FY 99, we will work with you to evaluate the FPDS data to determine if there has been a decrease in the number of task orders between \$25,000 and \$100,000 awarded to large businesses and an increase in new definitive contracts and simplified acquisitions awarded to small, small disadvantaged, and women-owned small businesses as a result of the waiver.

To supplement the FPDS data, we are interested in your general thoughts and impressions regarding the effectiveness of the waiver (e.g., time savings, user satisfaction, source identification). Please submit comments to the OFPP Administrator by November 1, 1999.